

IOWA FINANCE AUTHORITY[265]

Notice of Intended Action

Proposing rule making related to local housing trust fund allocation plan and providing an opportunity for public comment

The Iowa Finance Authority hereby proposes to amend Chapter 19, “State Housing Trust Fund,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 16.5.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 16.181 and 2021 Iowa Acts, Senate File 619.

Purpose and Summary

This proposed rule making updates Chapter 19 to incorporate by reference amendments to the trust fund allocation plan (the “allocation plan”) for the Local Housing Trust Fund Program. 2021 Iowa Acts, Senate File 619, increases the amount of real estate transfer taxes that may be transferred into the State Housing Trust Fund (the “Fund”) from \$3 million to \$7 million. Iowa Code section 16.181 requires that a Local Housing Trust Fund provide a local match that is approved by the Authority, but does not specify the amount of match. The allocation plan currently requires that Local Housing Trust Funds provide a match of 25 percent of the amount requested from the Fund. Awards are made to eligible Local Housing Trust Funds based upon a formula. If the local match requirement is left unchanged, several Local Housing Trust Funds, particularly those serving rural areas, may find it extremely difficult to meet the local match requirement. The Authority proposes reducing the local match requirement in FY 2022 and gradually stepping it back up to 25 percent by FY 2025.

The Authority is also proposing amendments to update the Authority’s website address and strike an outdated requirement to deposit program applications and related documents with the Administrative Rules Coordinator and at the State Law Library. The Authority proposes to strike this last requirement because it is not required by statute and does not conform with current program practice.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa. 2021 Iowa Acts, Senate File 619, increases by up to \$4 million the amount of real estate transfer taxes transferred into the State Housing Trust Fund.

Jobs Impact

After analysis and review of this rule making, this rule making may have a positive impact on employment in Iowa, creating jobs in the construction industry.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 265—Chapter 18.

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Authority no later than 4:30 p.m. on August 17, 2021. Comments should be directed to:

Kristin Hanks-Bents
Iowa Finance Authority
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
Phone: 515.452.0404
Email: kristin.hanks-bents@iowafinance.com

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Amend **265—Chapter 19** as follows:

CHAPTER 19 STATE HOUSING TRUST FUND

265—19.1(16) Trust fund allocation plans. The trust fund allocation plan entitled Iowa Finance Authority State Housing Trust Fund Allocation Plan for the Local Housing Trust Fund Program dated ~~March 2019~~ July 2021 shall be the allocation plan for the award, pursuant to the local housing trust fund program, of funds held within the state housing trust fund established in Iowa Code section 16.181. The trust fund allocation plan entitled Iowa Finance Authority State Housing Trust Fund Allocation Plan for the Project-Based Housing Program dated June 2009 shall be the allocation plan for the distribution, pursuant to the project-based housing program, of funds held within the state housing trust fund. The trust fund allocation plans for the local housing trust fund program and the project-based housing program include the plans, applications, and application instructions. The trust fund allocation plans for the local housing trust fund program and the project-based housing program are incorporated by reference pursuant to Iowa Code section 17A.6 and 265—subrules 17.4(2) and 17.12(2).

265—19.2(16) Location of copies of the plans. The trust fund allocation plans for the local housing trust fund program and the project-based housing program may be reviewed and copied in their entirety on the authority’s ~~Web site~~ website at www.iowafinanceauthority.gov www.iowafinance.com. Copies of the trust fund allocation plans for the local housing trust fund program and the project-based housing program, ~~the applications, and all related attachments and exhibits, if any,~~ shall be deposited with the

administrative rules coordinator and at the state law library. The plans incorporate by reference Iowa Code section 16.181.

These rules are intended to implement Iowa Code Supplement sections 16.5(1) “*r*” and 16.181.